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THE INSTITUTE OF CHARTERED ACCOUNTANTS OF INDIA

NOTIFICATIONS

CHARTERED ACCOUNTANTS

New Delhi-1, 27th March 1957

**No. 1-CA(1)/57.**—In exercise of the powers conferred by sub-section (1) of Section 30 of the Chartered Accountants Act, 1949, (Act XXXVIII of 1949), the Council of the Institute of Chartered Accountants of India has made the following amendments in the Chartered Accountants Regulations, 1949, the same having been previously published and approved by the Central Government as required by sub-section (3) of the said Section.

In the said Regulations:—

I. In Regulation 19C, in the syllabus for the Intermediate Examination, in Paper (iii), after the words and brackets “(excluding divisible profits)”, add the following words, namely:

“Duties and Responsibilities of Auditors”.

II. In sub-regulation (3) of Regulation 22, in the syllabus for the Final Examination, in Group II, in Paper (ii), after the words “Banking and Insurance Companies Acts”, add the following words, namely:—

“Societies Registration Act and the Co-operative Societies Act (Central and State)”.

III. In sub-regulation (vi) of Regulation 28, after the words “a fee of Rs. 2 only for each paper”, add the following words, namely:—

“subject to a maximum of Rs. 5 only for all papers in the case of the Preliminary or the Intermediate Examination and Rs. 10 only for all papers in the case of the Final Examination”.

IV. In sub-clause (i) of clause (c) of Regulation 35, delete the words “and a registered student of the Coaching Organisation set up under the aegis of the Institute”.

V. The following new Regulation shall be inserted after Regulation 35 and before Regulation 36, namely:—

“35A. *Registration of articulated clerks as students.*—(a) Every articulated clerk shall register himself as a student of the Coaching Organisation set up under the aegis of the Institute.

(b) Every employer shall forward by registered post within ten days from the date of commencement of articles the application of the articulated clerk for registration as a student of the Coaching Organisation set up under the aegis of the Institute. The application shall be in the specified form and shall be accompanied by the requisite fee.

- (c) If the application for registration as a student of the said Coaching Organisation is not forwarded within the time specified, the period of service upto a date ten days prior to the date when the employer forwards the application for such registration shall not be counted for purposes of these Regulations.

Notwithstanding anything contained in this Regulation the Examination Committee may in suitable cases relax the provisions of this sub-regulation in the case of a person who having entered into articles before the 1st January 1957, has registered himself as a student of the said Coaching Organisation:

Provided that nothing contained in this Regulation shall be applicable to those who had entered into articles or audit service before 1st July 1956".

VI. In Regulation 42A(1) (c) (i), delete the words "and is a registered student of the Coaching Organisation set up under the aegis of the Institute".

VII. In Regulation 42A after the existing sub-regulation (1) add the following sub-regulation (2) and renumber the existing sub-regulation (2) as sub-regulation (2A):—

- (2) (a) Every audit clerk shall register himself as a student of the Coaching Organisation set up under the aegis of the Institute.
- (b) Every employer shall forward by registered post within ten days from the date of commencement of audit service the application of the audit clerk for registration as a student of the Coaching Organisation set up under the aegis of the Institute. The application shall be in the specified form and shall be accompanied by the requisite fee.
- (c) If the application for registration as a student of the said Coaching Organisation is not forwarded within the time specified, the period of service upto a date ten days prior to the date when the employer forwards the application for such registration shall not be counted for purposes of these Regulations.

Notwithstanding anything contained in this sub-regulation the Examination Committee may in suitable cases relax the provisions of this clause in the case of a person who having entered into audit service before the 1st January 1957, has registered himself as a student of the said Coaching Organisation.

Provided that nothing contained in this sub-regulation shall be applicable to those who had entered into articles or audit service before 1st July 1956".

VIII. In clause (b) of sub-regulation (3) of Regulation 42A, for the words "within two months", substitute the following, namely:—

"so as to reach the Secretary within sixty days".

IX. The following new Chapter IV-A shall be inserted after Regulation 42B and before Chapter V, namely:—

#### "CHAPTER IV-A

##### *Students' Associations*

- 42C. *Constitution of students' associations.*—(1) The Council may constitute students' associations in each of the Regional Constituencies as may from time to time be specified by the Central Government under clause (a) of sub-section (2) of Section 9 of the Chartered Accountants Act, 1949, as and when it deems fit.
- (2) The students' associations shall be constituted in such manner and shall exercise such functions as may be specified by the Council by notification in the Gazette of India.
  - (3) The students' associations shall at all times function subject to the control, supervision and direction of the Council through the Coaching Board of the Council, and shall be managed by a council of fifteen members of which three members shall be nominated by the Regional Council concerned, one of whom shall be elected the Chairman of the said council.
  - (4) The students' associations may have branches in different parts of the Region as may be decided by the students' council with the approval of the Council.

(5) Any person who enters into articles or audit service on or after 1st April 1957 shall become a member of the students' association of his Region and shall forward a sum of Rs. 5 along with his application for registration of his articles or audit service, as the case may be. The amount so collected shall be transferred to the respective students' association by the Council.

(6) The Council may, in addition, give financial grants to the students' associations as may be decided by it from time to time".

X. In the proviso to Regulation 82, for the words "Section 21 of the Act" substitute the following words namely:

"Section 21 of the Act and for purposes of sub-regulation (6) of Regulation 6 and Regulation 44 of these Regulations".

No. 1-CA(4)/57.—In pursuance of sub-regulations (1) and (2) of Regulation 1 of the Chartered Accountants Regulations, 1949, the Council of the Institute of Chartered Accountants of India is pleased to notify that a Students' Association be formed for each of the Regional Constituencies specified by the Central Government under clause (a) of sub-section (2) of Section 9 of the Chartered Accountants Act 1949 and to make the following Rules:—

#### A—GENERAL

1. **Short Title.**—These Rules may be called the Chartered Accountants Students' Association Rules.

2. In these Rules unless there is anything repugnant in the subject or context—

- (i) "Central Council" means the Council of the Institute of Chartered Accountants of India.
- (ii) "Regional Council" means the Regional Council constituted under the Chartered Accountants Act, 1949.
- (iii) "Students' Council" means the governing body of the Students' Association constituted in accordance with Rule 12.
- (iv) "Coaching Board" means the Committee of the Council constituted to administer the Coaching organisation set up under the aegis of the Council.
- (v) "Student" means an articled or article clerk undergoing training under the Chartered Accountants Regulations, 1949.
- (vi) The definition of words and phrases given in the Chartered Accountants Act, 1949 and the Chartered Accountants Regulations, 1949, shall apply to these Rules also.

#### B—TITLE, EXTENT AND COMMENCEMENT

3. The Students' Associations shall be known by the names of Bombay Chartered Accountants Students' Association, Madras Chartered Accountants Students' Association, West Bengal Chartered Accountants Students' Association, U.P. Chartered Accountants Students' Association and Delhi Chartered Accountants Students' Association.

4. The Students' Council may from time to time,

- (a) establish Branches of Students' Association in any Region with the approval of the Central Council and with such powers and functions as may be prescribed by the Students' Council;
- (b) provide for the articled or audit clerks residing in a Region being enrolled as members of one Branch or other in the Region.

5. These Rules shall come into force on 1st April 1957.

6. If any difficulty arises in giving effect to any of the provisions of these Rules, the Central Council may, by notification in the Gazette of India, make such provisions or give such directions as appear to be necessary for the removal of the difficulty.

#### C—OBJECTS AND ACTIVITIES

7. The Students' Association may perform all or any of the following functions:—

- (i) Develop social contacts and a spirit of fellow-feeling among the students.
- (ii) Promote social, cultural and intellectual development of the students.

- (iii) Assist in the education of students in the recent developments in trade, commerce and industry especially those affecting the maintenance of their accounts, office routine and audit procedures.
- (iv) Organise lectures, meetings, debates, seminars, study circles and other means of cultural association for the education of students.
- (v) Establish and maintain libraries and/or Reading Rooms for the use of students.
- (vi) Make representations to the Central and Regional Councils on matters concerning the common interest of the students.
- (vii) Maintain a Register of Members of the Association.
- (viii) Organise trips and tours to important factories and industrial organisations and also to places of historical and educational importance.
- (ix) Such other functions as the Coaching Board may prescribe for attainment of the aforementioned objectives.

#### D—ADMISSION ON THE STUDENTS' ASSOCIATION REGISTER AND FEES

8. The names of all the articled and audit clerks who enter into articled or audit service on and after 1st April 1957 shall be entered on the Register of members of the Students' Association of the Region in which they will be residing. All such articled and audit clerks shall pay a membership fee of Rs. 5 to the Central Council, along with their application for registration of their service as articled or audit clerks.

9. Any articled or audit clerk, who has entered into service prior to 1st April 1957 shall also be eligible to become a member of the Students' Association on his making an application in the form specified and on his paying a sum of Rs. 5 for the said purpose.

10. Upon transfer of the services of an audit or articled clerk as a result of which he resides in a Region different from the one in which he had been previously residing his membership of the Students' Association shall also be transferred.

11. Upon completion or cancellation or transfer of audit or articled service the name of the student shall be removed from the Register of members of the Students' Association concerned and he shall thereafter cease to be its member.

#### E—CONSTITUTION OF STUDENTS' COUNCIL

12. There shall be a Students' Council of the Association for the management of the affairs of the Association and for discharging the function assigned to it under these Rules. The Students' Council shall be composed of—

- (a) 12 persons elected by the members of the Association from amongst the members of the Association as specified hereunder; and
- (b) 3 members of the Regional Council nominated by the Regional Council of which one shall be nominated by such Council to be the Chairman of the Students' Council.
- (c) One-third of the members nominated by the Regional Council and one-third of the elected members shall retire every year at the Annual General Meeting and their places shall be filled, in case of those nominated by the Regional Council, by fresh nominations by the Regional Council and in case of those elected by the members, by an election.
- (d) A member of the Students' Council will be subject to retirement every three years except however that in the first two years of the constitution of the Council one-third of the members shall retire every year even though they have not completed the term of three years.
- (e) The names of members who shall retire at the end of the first year and those who shall retire at the end of the second year shall be decided by lots drawn at the meeting of the Council held at least 30 days before the first and the second Annual General Meetings of the Students' Council.

#### F—ELECTIONS TO THE STUDENTS' COUNCIL

13. Election shall be conducted as hereinafter provided. If a dispute ever arises regarding any such election the dispute shall be referred to the Coaching Board and its decision shall be final.

14. The person nominated to the office of the Chairman by the Regional Council shall be the Chairman of the Students' Council.

15. The Students' Council at its first meeting after the Annual General Meeting or after the same has been constituted for the first time, which shall be held within seven days of the General Meeting or its constitution as the case may be, shall elect the Vice-Chairman, the Secretary and Treasurer thereof and so often as any of these offices becomes vacant, the Students' Council shall choose another person from among its members to hold that office.

16. Students' Council shall in addition constitute from among its members the following Committees:

(a) Executive Committee.

(b) Finance Committee.

It may also form such other committees as it deems necessary for carrying on its activities.

17. The Chairman of the Students' Council shall be the Chief Executive authority of the Students' Council. The Chairman and Vice-Chairman shall be Chairman and Vice-Chairman respectively of the Finance and Executive Committees. Other Committees may elect their own Chairman and Vice-Chairman.

18. The Finance Committee shall consist of the Chairman, Vice-Chairman and one nominee of the Regional Council (other than the Chairman and Vice-Chairman) on the Students' Council and two student-members of the Students' Council. The Executive Committee shall consist of not less than five but not more than seven members.

19. The Chairman shall continue to hold office so long as he is a member of the Regional Council. The Vice-Chairman, Secretary, Treasurer and members of the Committee (other than the Chairman) shall hold office until the next Annual General Meeting. But the retiring office bearers will be eligible for re-election.

20. **Resignation of membership and casual vacancies.**—(i) Any member of the Students' Council may at any time resign his membership by writing under his hand addressed to the Chairman, and the seat of such member shall become vacant when such resignation is accepted by the Chairman of the Students' Council.

(ii) A member of the Students' Council shall be deemed to have vacated his seat if he is declared by the Students' Council to have been absent without sufficient excuse from three consecutive meetings of the Students' Council, or if his name is, for any cause, removed from the Register.

(iii) No act done by the Students' Council shall be called in question on the ground merely of the existence of any vacancy in, or defect in the constitution of that Council.

21. The Finance Committee at its first meeting each year shall prepare a Budget for the incoming year, and after the same has been approved at a meeting of the Students' Council, the budget shall be sent to the Coaching Board for its approval. The expenditure of the Council shall be regulated in accordance with the Budget sanctioned by the Coaching Board.

22. The Executive Committee at its first meeting each year shall draw up a programme of activities of the Association to be undertaken during the incoming year. A copy of the programme after the same has been approved by the Students' Council shall be sent to the Coaching Board for obtaining such guidance as it may consider necessary to give in regard to the activities of the Association.

23. **Staff, remuneration and allowances.**—(1) For the efficient performance of its duties, the Students' Council may—

(a) appoint necessary staff as it deems necessary;

(b) require and take from any member of the staff such security for the due performance of his duties, as the Students' Council considers necessary;

(c) fix the salaries, fees, allowances and other conditions of service of the servants of the Students' Council:

Provided, however, that no member of the Students' Council shall be paid any remuneration or allowance for services rendered by him.

24. Subject to the foregoing provisions, the committees shall exercise such functions and be subject to such conditions in the exercise thereof as may be decided by the Students' Council.

25. The Students' Council shall meet at least once every six months.

26. **Finances of the Students' Council.**—(i) There shall be established a fund under the management and control of the Students' Council into which shall be paid all monies received by the Students' Council and out of which shall be met all expenses and liabilities properly incurred by the Students' Council.

(ii) The Students' Council may invest any money for the time being standing to the credit of the fund in any Government Security or in any other Security approved by the Coaching Board.

(iii) The Students' Council shall keep proper accounts of the fund distinguishing capital from revenue.

(iv) The annual accounts of the Students' Council shall be subject to audit by a Chartered Accountant or a firm of Chartered Accountants appointed by the Coaching Board to audit its accounts.

(v) As soon as may be practicable at the end of each year, ending on 31st March, but not later than the 30th day of the September of the year next following, the Students' Council shall submit to the Central Council and the Coaching Board a copy of the audited accounts and the Report of the Students' Council for that year and copies of the said accounts and Report shall be forwarded to all the members of the Association.

27. **Members eligible to vote.**—Every articulated and audit clerk who has been serving as such from a dated immediately six months prior to the date of election shall be eligible to vote and stand for election to the Students' Council of the Regional Constituency to which he belongs.

28. Any person desiring to stand for election shall submit an application seconded by two members of the Association entitled to vote in the election.

29. Every candidate for election shall pay a fee of Rs. 10 which shall not be refunded under any circumstances.

30. Election to the Students' Council will be held at the first meeting of the Students' Association which shall be called on the first occasion by the member of the Regional Council concerned nominated to the office of the Chairman and at the Annual General Meeting in the subsequent years.

31. The election shall be by poll of members present at the meeting. No proxy will be allowed.

32. The names of all candidates elected shall be announced at the meeting by the Chairman of the meeting and his declaration shall be final.

#### G—ANNUAL GENERAL MEETINGS

33. The Students' Council may summon a meeting of the members of the Association as often as it may think fit and proper.

Provided that such a meeting shall be called and held at least once in every year.

34. Once General Meeting shall be held in the month of September every year and that meeting shall be called the Annual General Meeting.

35. At least 21 days' notice of the meeting specifying the day, place and hour of such meeting and in case of special business, the general nature of such business shall be given.

36. Every member of the Association on the Association Register shall be entitled to table any proposals or resolutions for the consideration of the meeting of the members: Provided such proposals etc., are received by the Secretary of the Students' Council at least 28 days before the date of the meeting. Any such proposals received after the prescribed time will be treated as proposals for the next following meetings of the members unless admitted by the Chairman of the earlier meeting.

Provided, however, that nominations to the Students' Council may be sent so as to reach within ten days of the Annual General Meeting. The nominations received need not be circulated among the members but will be announced at the Annual General Meeting.

37. The business of the Annual General Meeting shall be to receive the report of the Students' Council, to adopt the accounts, and to transact such other business as may be brought before the meeting with the permission of the Chairman.

38. The Chairman or in his absence the Vice-Chairman of the Students' Council shall be the Chairman of the General Meetings of the Students' Association. In the absence of both, the members may elect any one of the members present as Chairman of the meeting.

39. Twenty members personally present shall form a quorum. No business shall be transacted at any General Meeting unless the requisite quorum be present at the commencement of the business.

40. If within half an hour from the time appointed for the meeting a quorum is not present, the meeting shall stand adjourned to the same day in the next week at the same time and place and at every such adjourned meeting the members present, whatever their number, shall have power to transact all the business which could properly have been transacted by the original meeting, had the necessary quorum been present thereat.

41. All decisions at all meetings shall be taken by a majority of votes. In case of equality of votes, the Chairman shall have a casting vote in addition to his original one.

42. **Dissolution.**—Notwithstanding anything contained in these Rules the Students' Association shall be dissolved if after giving proper hearing to the Students' Council of the Association, the Central Council decides to dissolve the Students' Association. On the dissolution of the Students' Association all its property, assets and funds shall vest in the Central Council.

S. PRAKASH CHOPRA,  
*President.*

